

The President has put on the table a strong plan. First, it takes back \$5 billion in pension liability racked up by the Congress before home rule and off-loaded on the District. Second, it recognizes that the District is not a State and like every city in the United States cannot today bear State, county, and municipal functions all by itself, even if it becomes the most efficient government on the face of the Earth.

Last night the President offered words on an empowerment zone approach that he intends to spread to cities across the United States, including the District. It is a traditional approach that is already in use across the country. I am very grateful that he wants to include the District in this approach. I welcome it. But I welcome it only in combination with income tax relief in light of a bill I have introduced yesterday.

As the sole response to the crisis of the capital city, the empowerment approach is unacceptable to me and to the District. Why? The President's own plan, the President's strong plan—for pension and State cost relief—would take this much, represented by the orange color, off the table from what District taxpayers now pay. What that means is that 90 percent of what District taxpayers pay they would continue to pay. Strong as his plan is, it really is marginal in what it does to take away what a dwindling tax base would pay.

We are now at 1933 population levels. We do not have a State like New York and like Florida. We are losing, in the 1990's three times as many people as we lost in the 1980's.

Consider what our alternatives are. Commuter tax, massive infusions from the Federal Government and, finally, use of our own money through a tax cut. Commuter tax, thank you, Mr. Congress, you have taken that off the table. We are barred from a commuter tax, even though virtually all the jobs go to commuters. They come in and use the services of an insolvent city and do not leave one thin dime here. You took that off the table. Massive infusions from the Federal Government, you have taken off the table for everybody, even the capital of the United States. I am down to the only option I have left: Let us use our own money to pay what it takes to revive our own city.

The District of Columbia Economic Recovery Act is a bipartisan tax cut bill. I put it in only because we have no State. If we had a State, I would not do it. I would go to the State.

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Big cities get almost all of their revenue from State and Federal sources. D.C.'s revenue must come from a tax base that is disappearing with no way to recycle money back from those who leave.

Think about it. Even if you come from a small town, think about the

great cities in your State, New York City, L.A., Detroit, Atlanta, Seattle, Houston, Chicago, Newark, Nashville, Greenville, Charlotte, Richmond, and Baltimore. None of them support themselves. They are basically supported by their States.

If you did not have a State, what would you do? What do you expect the capital of the United States to do? An empowerment zone by itself does not address taxpayer drain. Even businesses in D.C. tell us that for every ten jobs we make in D.C., nine of them go to suburbanites. They say that is because we are losing our skilled work force, which is another way of saying losing our tax base. They say that an empowerment zone incentive will not help the District because business looks to the skilled work force, not to tax incentives when deciding whether or not to locate in a city.

This is not your average tax cut. It is not what we usually mean in this House. It is not about money saving; it is about life saving. We have to think outside the box. We have to understand that in essence, if not this, what?

You have a unique situation in the capital of the United States. You have a stateless city. It is insolvent. Its revenue is dwindling away with its tax base. The capital is trapped. Help us free ourselves.

The SPEAKER pro tempore (Mr. MCINNIS). Under a previous order of the House, the gentleman from Florida [Mr. FOLEY] is recognized for 5 minutes.

[Mr. FOLEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SUPPORT MY BALANCED BUDGET SUBSTITUTE AMENDMENT TO THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, very shortly in this House, probably within the next 3 or 4 weeks, the House leadership has scheduled a vote on the balanced budget amendment to the Constitution. I have some concerns about whether this is even necessary.

I note with interest that the deficit has dropped in the last 4 years from \$300 billion a year to \$107 billion this year and it is coming down like that; that 4 years ago it was 4.7 percent of our gross domestic product, a hefty portion. Today it is 1.4 percent, the lowest point it has been since 1974, the lowest of any industrial democracy. So I question whether it is needed.

If it is needed, if people still seem to think it is, I have to offer the suggestion that you do not balance the budget by putting something in the Constitution that says in 7 years you have to have a balanced budget. You balance the budget the old-fashioned way, vote

by vote by vote, cut by cut by cut, each year through the appropriations process.

That is what has brought the deficit down, on a bipartisan basis, Democrats leading the charge sometimes, Republicans the other times. That is what has brought the deficit from being 4.7 percent of our economy down to here about 1.4 percent.

Now, having said that, if a constitutional amendment is necessary, I am greatly concerned because the argument I hear is that the Federal budget ought to balance its budget like every family, like every business and every State government has to. And that is a fair statement. There is a difference, though. If you forced every family, if you forced every business, and particularly if you forced every State government to include the language of this balanced budget amendment in their constitutions or in their bylaws or their operating procedure, this country would be belly up.

This balanced budget amendment does not do what every State, what every family and every business does, and that is to permit borrowing for capital expansion, for growth, for increasing in productivity. Because while 49 States have some form of capital budgeting in place, and incidentally operates under a balanced budget procedure, such as the State of West Virginia, which has a strict balanced budget requirement in its State constitution, while almost every State has a balanced budget requirement of some kind, there is a difference between the way that States operate and the way the Federal Government operates.

Every State borrows for the roads, the bridges, the water systems, the sewer systems, the infrastructure, the schools, the prisons, the things that are necessary for long-term growth. Every State has that kind of capital budget. Not so the Federal Government.

So that is why I would urge Members, if you feel you have to support a balanced budget amendment, I hope you will support my balanced budget substitute, my constitutional amendment to the Constitution, which would say that you balance the budget in the same amount of time, by the year 2002; that you have the same procedures, except that you can have capital budgeting; that is, you can have investment in physical infrastructure, the roads, the bridges, and so on, No. 1; and, No. 2, that Social Security is off budget.

I am fascinated that every Member in this House at some time or another has voted in favor of taking Social Security off budget. Well, if it was good enough last year, the year before, and the year before that, why is it not good enough this year, particularly if we are going to enact such a stiff proposal and put it into the Constitution?

So if you want the Federal budget to operate like every State, like every business and every family, then recognize the fact that every family knows

that it has to borrow for long-term items.

My wife and I had to borrow for our house. It is called a mortgage. Over 20 years. We have to borrow for the car, 4 to 5 years of financing. We have to borrow for our children's tuition, because we understand that that is what is going to pay back greater dividends in the years to come.

So that is what my balanced budget amendment to the Constitution would do. It would recognize that borrowing and permit it to continue. You cannot go home and say that I supported a balanced budget amendment to the Constitution that is just like every State, every family, and every business has to do, because every State, every family and every business could not operate if they had to operate under the terms of the balanced budget amendments that this House will be voting on.

If you are interested in supporting my proposal, my substitute, I would urge you to cosponsor my balanced budget amendment, which was dropped in the hopper today, which has been introduced, which already has 19 cosponsors and which permits and which requires a balanced budget but also permits our Federal Government to do what every State government and city is permitted to do, and that is to borrow for physical infrastructure and to spread that out over the cost of the life of that asset.

Why should you consider the same dollar that goes for pencils for the Federal courthouse to be the same dollar that is spent for a highly of highway? We all know the mile of highway has a much greater life FTE. And yet that would be precluded. That would be ruled out. That would be greatly threatened by the balanced budget amendment this House will be voting on.

So if you want to balance the budget in the same way the family does, the State does, the business does, then you ought to be supporting my proposal, my amendment to the Constitution which was in the hopper today.

We will be talking a lot more on this, Mr. Speaker, I am very confident of that, but I would urge Members to look closely and to recognize that there is a very significant difference between the way the States operate, the way businesses operate, the way families operate, and the way this budget would have the Federal Government operate.

PRESIDENT CORRECTLY PLACES NATION'S EDUCATION SYSTEM AT THE TOP OF OUR PRIORITY LIST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, in his State of the Union address last night President Clinton announced an ambitious plan to strengthen our Nation's education system and in so doing right-

ly placed the issue of educating our children at the top of the Nation's most important priorities.

The President's plan spans across the entire spectrum of education. He had 10 points. For the youngest children, he called for an expansion of Head Start; for elementary schoolchildren, a program to ensure that they can read independently by the third grade; for our high school students innovative incentive programs to encourage them to obtain at least 2 years of college; and for parents and students alike, struggling to meet the runaway costs of college, a variety of tax breaks and adjustments to existing loan programs that will make everyday life a little bit easier.

Last year, Mr. Speaker, when the President sent his budget to Congress, the Republicans responded by offering the largest education cuts in history. To demonstrate the seriousness of their opposition to the President's education agenda, they then proceeded to shut down the Federal Government two times while calling for the abolition of the Department of Education.

Their attacks on the education system continued throughout the election cycle, with GOP leaders, most notably Bob Dole, picking fights with the teachers unions.

In announcing his education plan last night, the President rightly called for Republicans to leave their partisan agenda at the classroom door. It is my hope that the Republicans will accept the President's invitation and join congressional Democrats in our efforts to provide quality, affordable education to every American.

I know, Mr. Speaker, that we will be dealing with these education issues for a long time, and certainly dealing with them in the next few weeks and the next few months, but I think that the President's call that we should put our partisan differences at the classroom door was really crucial. Education is the most important issue facing this Nation and the President's 10-point plan really is a significant beginning to solving the problem of making sure that we provide an adequate education system for every American.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FARR] is recognized for 5 minutes.

[Mr. FARR of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

TRIBUTE TO THE LATE CONGRESSMAN FRANK TEJEDA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from California [Mr. BECERRA] is recognized for 60 minutes as the designee of the minority leader.

Mr. BECERRA. Mr. Speaker, we have taken out this special order of an hour

for the purpose of trying in the short time that we have to try to commemorate the life of a friend, of a colleague, of a great American hero, Frank Tejeda, who passed away but a few days ago in his home in Texas shortly after having been sworn in to the 105th Congress.

Without further remarks on my part at this stage, I do want to yield time to someone who was a great friend of Mr. Tejeda, and I want to acknowledge that Mr. Tejeda's family is here with us today, but I think it is most fitting that the individual who knew him best, who would sit right back there every day of a vote with Frank and laugh and do work and do the business of this country with him should best have the opportunity to go first in making remarks about our great friend.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas, Mr. SOLOMON ORTIZ.

Mr. ORTIZ. Mr. Speaker, first of all, I would like to thank the gentleman for asking for this special order today in memory of a great American and a great friend.

Mr. Speaker, I was one of those fortunate Members of Congress who was able to visit with Frank about 3 weeks before he died and, as we all know, Frank loved his children. And even before Frank was diagnosed with this cancer, he was telling me about the heavy schedule and how important it was for him to attend some of the soccer games that his boy, Frankie, played. He said this is one of the things I miss the most, being with my family.

When I visited with Frank this last time again, we talked about the family and about the marine that he was, how he loved the military. But at this moment we are very fortunate to have Frank's mother with us in the gallery, Mrs. Tejeda, Frank's sister, and members of his family, as they were recognized last night during the President's State of the Union Message.

For 4 years Frank and I sat together in that same corner listening to the State of the Union Message and looking forward to seeing what was in that message that we could dissect and take back to our district and tell people how we would be able to change their lives, and impact on their lives something on the positive side.

Frank was a very religious individual. This last year I would ask Frank to go out with me to attend certain functions, and Frank would say, I am sorry, I cannot go with you because this is my prayer time. I have to go to my home and spend time talking to my God and reading my Bible.

Frank was also kind and forceful and generous and committed to those he served. After Frank fought for his country, he fought very hard for veterans, farmers, and Hispanics in Texas and in Washington. Frank was a wonderful person who died far too soon, too young. He taught us all how to be better people and he set an example for all of us to live by. Frank had a quiet